



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-991]

Chlorinated Isocyanurates from the People's Republic of China: Final Results of Countervailing Duty Administrative Review; 2020

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) determines that countervailable subsidies are being provided to the producers and exporters subject to the administrative review of chlorinated isocyanurates (chlorinated isos) from the People's Republic of China (China) during the period of review (POR) January 1, 2020, through December 31, 2020.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Miranda Bourdeau, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2021.

SUPPLEMENTARY INFORMATION:

Background

On December 6, 2022, Commerce published the preliminary results of the 2020 administrative review of the countervailing duty order on chlorinated isos from China.¹ This review covers two companies, Heze Huayi Chemical Co., Ltd. (Heze Huayi) and Juancheng Kangtai Chemical Co., Ltd. (Kangtai).² We invited interested parties to comment on the

¹ See *Chlorinated Isocyanurates from the People's Republic of China: Preliminary Results of the Countervailing Duty Administrative Review and Rescission of Review in Part; 2020*, 87 FR 74600 (December 6, 2022) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum.

² In the *Preliminary Results*, we rescinded the review with respect to an additional company, Hebei Jiheng Chemicals Co., Ltd. However, we incorrectly identified the company as "Hebei Jiheng Chemical Co., Ltd.," instead

Preliminary Results.³ On February 10, 2023, we received a case brief from Bio-Lab, Inc., Clearon Corp., and Occidental Chemical Corporation (collectively, the petitioners).⁴ On February 16, 2023, we received a timely combined rebuttal brief from Heze Huayi and Kangtai.⁵ For a complete description of the events that occurred since the *Preliminary Results*, see the Issues and Decision Memorandum.⁶

Scope of the Order

The products covered by the *Order* are chlorinated isos from China. A full description of the scope of the *Order* is contained in the Issues and Decision Memorandum.

Analysis of Comments Received

All issues raised by interested parties in briefs are addressed in the Issues and Decision Memorandum accompanying this notice. A list of the issues addressed in the Issues and Decision Memorandum is provided in the appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Changes Since the Preliminary Results

Commerce evaluated the comments in the case and rebuttal brief and record evidence and made no changes from the *Preliminary Results*. For a discussion of the comments, see the Issues and Decision Memorandum.

of Hebei Jiheng Chemicals Co., Ltd. See *Preliminary Results*, 87 FR at 74601. We are correcting this error for these final results. The correct company name was published in the *Order*. See *Chlorinated Isocyanurates from the People's Republic of China: Countervailing Duty Order*, 79 FR 67424 (November 13, 2014) (*Order*).

³ See *Preliminary Results*, 87 FR at 74602.

⁴ See Petitioners' Letter, "Case Brief of Bio-Lab, Inc, Clearon Corp., and Occidental Chemical Corporation," dated February 10, 2023.

⁵ See Heze Huayi and Kangtai's Letter, "Respondents Rebuttal Brief," dated February 16, 2023.

⁶ See Memorandum, "Issues and Decision Memorandum for the Final Results of the Countervailing Duty Administrative Review of Chlorinated Isocyanurates from the People's Republic of China; 2020," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

Methodology

Commerce conducted this administrative review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each subsidy program found to be countervailable, Commerce finds that there is a subsidy, *i.e.*, a financial contribution from a government or public entity that gives rise to a benefit to the recipient, and that the subsidy is specific.⁷ For a full description of the methodology underlying all of Commerce's conclusions, including any determination that relied upon the use of adverse facts available pursuant to section 776(a) and (b) of the Act, *see* the Issues and Decision Memorandum.

Final Results of Administrative Review

In accordance with 19 CFR 351.221(b)(5), Commerce calculated the following net countervailable subsidy rates for the period January 1, 2020, through December 31, 2020:

Producer/Exporter	Subsidy Rate (percent <i>ad valorem</i>)
Heze Huayi Chemical Co., Ltd.	3.04
Juancheng Kangtai Chemical Co., Ltd.	1.22

Disclosure

Normally, Commerce discloses to interested parties the calculations performed in connection with a final determination within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of the notice of final results in the *Federal Register*, in accordance with 19 CFR 351.224(b). However, because there are no changes from the *Preliminary Results*, there are no calculations to disclose.

Assessment Rates

Pursuant to section 751(a)(2)(C) of the Act and 19 CFR 351.212(b)(2), Commerce will determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries of subject merchandise in accordance with the final results of this review, for the above-listed companies at the applicable *ad valorem* assessment rates listed. We intend

⁷ See sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

to issue assessment instructions to CBP no earlier than 35 days after the date of publication of these final results of review. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

Cash Deposit Instructions

In accordance with section 751(a)(1) of the Act, Commerce intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts shown for each of the respective companies listed above on shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review. For all non-reviewed firms subject to the *Order*, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit requirements, effective upon publication of the final results of review, shall remain in effect until further notice.

Administrative Protective Order

This notice also serves as a reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials or conversion to judicial protective order is hereby

requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Notification to Interested Parties

Commerce is issuing and publishing the final results of review in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.221(b)(5).

Dated: June 2, 2023.

Lisa W. Wang,
Assistant Secretary for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. Subsidies Valuation Information
- V. Benchmarks
- VI. Use of Facts Otherwise Available and Application of Adverse Inferences
- VII. Analysis of Programs
- VIII. Analysis of Comments
 - Comment 1: Whether Commerce Should Find Kangtai Used the Financial Incentives for Environmental Industrial Upgrading (Environmental Upgrading) – Grant and Loan Programs Based on Adverse Facts Available (AFA)
 - Comment 2: Whether Commerce Applied the Proper AFA Rate to the Export Buyer's Credit Program (EBCP)
- IX. Recommendation

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